
Minutes

Board of Natural Resources

August 19 & 20, 2003 Retreat
Northwest Region Tours
&
Public Meeting held at the Cotton Tree Inn, Mount Vernon

BOARD MEMBERS PRESENT

Doug Sutherland, Commissioner of Public Lands

Bob Nichols for Governor Gary Locke

Terry Bergeson, Superintendent of Public Instruction

Glen Huntingford, Commissioner, Jefferson County

Bruce Bare, Dean, University of Washington, College of Forest Resources

R. James Cook, Dean, Washington State University, College of Agriculture and Home Economics (Interim)

BOARD MEMBERS ABSENT

1 AUGUST 19, 2003 TOUR PRESENTATIONS - DAY 1

2
3 Bill Wallace - Northwest Region Manager, provided an overview of the day's events explaining that the
4 Northwest Region consists of five counties: Snohomish, Skagit, Whatcom, Island, and San Juan. He said
5 that this morning's tours will take place in Whatcom County, then Skagit County later in the day and
6 tomorrow morning. He drew the Board's attention to a blue packet (Handout 1) containing information
7 relating to the next two days of the retreat and noted that the theme of the retreat is "Trust Land
8 Management in an Urban Setting." He stated that much of the Board's work surrounds sustainable
9 harvest and the three circles (economic, environmental, and social), and attempting to find the balance for
10 long-term management. He noted that operationally, this is what the Northwest Region does on a daily
11 basis (taking policy direction from the Board and attempting to find that balance on each landscape). One
12 of the most substantial variables on each landscape is the "social" aspect and the Board will be seeing
13 some specific examples of that on the tours today. Mr. Wallace then introduced Jim Darling, Executive
14 Director of the Port of Bellingham.

15
16 Mr. Darling welcomed everyone to Whatcom County and appreciated the visit. He acknowledged Mike
17 Stoner who would be providing background on the waterfront cleanup projects. Mr. Darling noted the
18 work the Port collaborates on with DNR and they consider themselves a partner with the agency then he
19 commended the phenomenal staff from the department. He indicated that DNR staff represent the
20 department and the state's interests very well stating that they are creative, and strive to reach their goals
21 providing projects that serve the community well.

22
23 Mr. Wallace provided an overview of the agenda and then introduced Fran McNair - Aquatics Steward, to
24 present an overview of the aquatic tours.

25
26 Chair Sutherland first introduced a new Board member, Dr. R. James Cook, who is the interim Dean of
27 the College of Agriculture and Home Economics at the Washington State University.

1 Fran McNair - Aquatics Steward, stated that her staff would be providing an overview of aquatic reserves
2 focusing on Bellingham Bay and the La Conner area. She began by describing the Aquatic Region,
3 which consists of existing geographic regions, which the Aquatics Region is superimposed over. The
4 Region consists of three districts: Orca Straits - David Roberts, Assistant Region Manager; Rivers District
5 - Gary Cooper, Assistant Region Manager; and Shoreline District - Mark Mauren, Assistant Region
6 Manager; Fran McNair is the interim Region Manger. She thanked the Sedro Wooley staff at the
7 Northwest Region office and acknowledged the strong aquatics team. She expressed her determination
8 to be as integrated as possible with the uplands team because the interface between land and water is
9 essential and the intent is to see it as one landscape. She introduced the Orca Straits District staff: David
10 Roberts - Assistant Region Manager; Chad Unland - Land Manager; and Tammy Olson - Administrative
11 Assistant. She then introduced Loren Stern - Aquatics Division Manager, stating that he will provide an
12 overview of aquatic reserves.

13
14 Mr. Stern first noted that everything he will be discussing is within the blue packet (Handout 1) provided
15 earlier. He then began his overview of aquatic reserves stating that in 2000 Commissioner Belcher
16 created six areas, some of which transitioned all the way to reserves, some of which were withdrawn from
17 leasing. It was found that there was little or no public input to the process and no clarity on whether the
18 sites should be declared reserves. So a lengthy new process began and was reported to the Board at the
19 August 2002 Retreat indicating an environmental impact statement had been created and there was now
20 substance and detail to operate an aquatic reserve program on a statewide basis.

21
22 Mr. Stern then discussed the 6 areas; 1) Middle Waterway (Commencement Bay), 2) Olympic View
23 (Commencement Bay), 3) Maury Island, 4) Fidalgo Bay, 5) Cypress Island, and 6) Cherry Point. The
24 department is in the process of developing specific recommendations for each of the 6 sites. There is a
25 technical advisory group of scientists who have reviewed the data, helped to develop the criteria on which
26 to base the decision to declare a site as a reserve, and they have gone through a public process to
27 ensure the criteria and information is correct. The technical advisory group is summarizing their data and
28 will make a recommendation to Commissioner Sutherland and based on those recommendations, the
29 Commissioner will then decide what the best public benefit would be, and that will be occurring between
30 now and December 2003. If the decision is that these sites will remain as reserves then it will be placed
31 within the public process again to develop specific management plans for each of the sites before a final
32 determination is made. He stated that the program is also adding a biennial process to identify new
33 reserves and in January 2004, the program will begin a process to accept nominations for new areas of
34 aquatic lands to be identified as reserves. The concept is to accept one or two nominations per biennium.
35 Management plans will be developed for each of the new areas accepted as reserves. The lands will
36 have unique environmental features and provide unique educational benefits.

37
38 Ms. McNair added that there will be three types: environmental, educational; and scientific. At this time,
39 there are benchmarks being developed to determine the criteria. The management will be strenuous and
40 the department may need partners to assist.

41
42 Mr. Stern continued by describing three of the reserves that the Board would be seeing on the aquatic
43 tour by boat beginning with Cherry Point, which has three existing piers and has one area that is reserved
44 for a dock. The environmental significance to the site is it has the largest herring spawning population in
45 the state and the population has been declining over the years. There have been many studies done yet
46 nothing has been determined. He then showed Cypress Island indicating the concern for mooring buoys
47 within the reserve. He also noted the uplands are a natural resource conservation area and they
48 consider this a primary opportunity to have a linkage between uplands and aquatic lands. This is a key
49 factor the technical advisory group is looking at. The last of the three reserves is Fidalgo Bay and he
50 noted the unique features to this reserve: the mix of public and private lands; its extensive eelgrass areas

1 so important to salmon and other juvenile species; and its an important location for bird migration such as
2 blue heron.

3
4 Bob Nichols wondered what degree of coordination is taking place with Fish & Wildlife and its marine
5 conservation efforts, the Corp of Engineers' near-shore project, and the Northwest Straits Commission's
6 various projects, and asked how those efforts factor into the aquatic reserve projects?

7
8 Mr. Stern said that the program has undergone significant collaboration with Fish & Wildlife but there is
9 room for improvement; they work regularly with the environmental sub-committee of the Northwest Fish
10 Commission regarding tribal interest and they are on board with the program, and strategic discussions
11 with the tribal governments continue; the Marine Resource Committee has attended our public process in
12 great numbers and frequency and they support our efforts.

13
14 Chair Sutherland asked who is on the technical team?

15
16 Mr. Stern said there is one participant from State Fish & Wildlife with planning expertise; there is a parks
17 expert; there are some college staff members; and a cross section of planners and scientists. He did not
18 have the list with him but indicated it is a very diverse group of experts.

19
20 Glen Huntingford wondered if there is a map that shows all of the set-asides within the reserves so the
21 public can see the full picture?

22
23 Mr. Stern indicated that is available in text but not a map at this time.

24
25 Mr. Roberts added that the Northwest Straits Commission, which covers the seven northern counties of
26 Puget Sound, has recently hired a staff person who is currently doing that type of mapping.

27
28 Glen Huntingford stated that it would be good for the public aware of all of the positive things being
29 contributed by groups, boards, and staff members, and credit awarded for all the hard work rather than
30 always focusing on the problems. There has been a lot done to protect these areas and resolve
31 problems and that should be recognized.

32
33 James Cook noted that he had heard "reserve" "preserve" and "restoration" and wondered what the
34 differences are, and also asked how long it takes to phase out a lease?

35
36 Mr. Stern said that during the public process it was clear there needs to be clarity in terminology, i.e.,
37 "reserve" "preserve" and "protected areas" and said that new language needs to be developed by the
38 leadership of the action team. The terms mean different things to different groups.

39
40 Ms. McNair answered James Cook's question about phasing out a lease stating that the majority of
41 leases go for several years and there are a variety of expirations. If there is a lease due to expire it can
42 be placed in holdover status and renegotiated until the issues are resolved.

43
44 Ms. McNair then gave an overview of the "Bellingham Bay Demonstration Pilot Project" and commended
45 all of the participants for their collaboration. In 1996, a cooperative partnership of 15 federal, state, tribal,
46 and local stakeholders joined together to form the Bellingham Bay Pilot Project Team. The mission of the
47 Pilot Team was to develop a new cooperative approach to expedite sediment cleanup, source control,
48 and habitat restoration for sediment cleanup sites around Bellingham Bay. In October 2000, the
49 Department of Ecology, as lead agency for the Pilot, issued the Pilot Team's planning efforts in the

1 Bellingham Bay Comprehensive Strategy/Environmental Impact Statement. The supplemental EIS was
2 completed in 2002 to examine another cleanup alternative.

3
4 The type of contaminants and degree of contamination carries throughout the bay. Historical uses,
5 environmental conditions, and chemical stability influence the nature and degree of contamination at each
6 site. Contaminants found around the bay include metals, petroleum products, phthalates, Polychlorinated
7 biphenols, dioxins, pentachlorophenol, phenols, volatile organic compounds and methyl mercury. Recent
8 sampling has been carried out to refine the amount and location of contaminated sediments around the
9 bay. Estimates of the amount of material that needs to be removed are lower than previously anticipated
10 due to natural sedimentation processes occurring in the bay. The Pilot Team has identified a list of
11 restoration opportunities around the bay. They are also involved in studies to identify the typical uses of
12 the bay by anadromous and forage fish species, which will be used to refine the restoration priorities.
13 Finally, settlement discussions continue between DNR and the other responsible parties with hopes that
14 clean-up activities can begin in the near future.

15
16 Ms. McNair commended the process stating that disagreements may take place regarding liability, etc.,
17 but the reality is that the participants respect one another and the focus is the same. She then introduced
18 Mike Stoner - Environmental Director for the Port of Bellingham.

19
20 Mr. Stoner explained the four operational divisions of the Port. He then explained that when the Port
21 attempts to do projects, there is a profoundly complex regulatory framework. What has been found at
22 other locations in Puget Sound regarding cleanup has been a gridlock in trying to meet the regulatory
23 requirements, funding, and attempting to satisfy the attorneys involved. Historically, projects were much
24 easier to execute, but there has been a new approach with the Bellingham Bay Demonstration Pilot
25 Project. In the beginning, there were 14 different agencies (federal agencies, state agencies, local
26 agencies, local tribes, EPA, the Corp, F7W, etc.) and each group has its own mission. It took a great
27 deal of time to get all groups to speak the same language and find common ground, identifying goals that
28 they could all embrace. A mission statement was developed to use a cooperative approach to meet
29 goals of cleanup and habitat restoration. He indicated that they are a year or two away from a model plan
30 for Bellingham Bay but the working relationships will ensure its success.

31
32 Bob Nichols asked what is happening with source pollution?

33
34 Mr. Stoner said their attempts to create accurate perceptions, and what is found through their
35 investigations, is that the 14 different contaminated sites are the result of chemical releases that occurred
36 back in the forties/fifties/and sixties prior to the rigorous regulatory framework. Historical sources were
37 thousands of times higher than today. All proposed projects on the waterfront today must meet standards
38 for source control. He also indicated they have reports for each of the cleanup project elements and the
39 source control report identifies all of the activities on the waterfront and analyzes them.

40
41 Bob Nichols asked if they had parceled out the liability issues due to the multiple ownerships?

42
43 Mr. Stoner said that is one of the biggest issues. He stated that under the Model Toxic Control Act, you
44 can be liable even if you are operating under the regulations; if you are the operator that discharged the
45 contaminants; or if you are the owner of the contaminated land such as DNR. The issue is being
46 addressed and the groups are at the table going through an evaluation of how to work through the degree
47 of liability and how everyone can work together.

48
49 The Board thanked Mr. Stoner for his presentation.

1 Brian Williams - Habitat Biologist for the Washington Department of Fish & Wildlife, gave overview of the
2 habitat issues in Bellingham Bay and set the stage for the tour the Board would be taking (Handout 2).
3 He declared his commitment to the Bellingham Bay Pilot Project and believes that development, re-
4 development, and habitat can co-exist. Historically, the Bellingham Bay area's nearshore habitat was a
5 continuous mosaic of shallow water habitat, estuary habitat, nearshore inter-tidal, shallow sub-tidal,
6 complex mud flats, macro-algy habitats, and eelgrass habitats. Over time, the shallow inter-tidal habitats
7 have evolved and the resources, such as juvenile salmon and a variety of marine fish species and
8 shellfish species, have been severely affected. They shallow habitat areas are critical for migration,
9 predator refuge, and spawning.

11 Mr. Williams discussed development stating that within inner Bellingham Bay the majority of development
12 has occurred primarily with over-water structures, shoreline armoring, dredge channels, and shoreline
13 fills. In the Pilot Project there has been a lot of work on this issue such as data compilation and analysis
14 and in the analysis an historical analysis was done where they took an 1855 shoreline, over-laid it with
15 the existing shoreline, allowing a look at where changes have occurred including a magnitude of fill and
16 vanishing estuaries.

18 *Summary of the Historical Analysis*

19 Loss of approximately 200 acres of eelgrass habitat in inner Bellingham Bay.

20 Loss of 320 acres of estuary and inter-tidal habitats in inner Bellingham Bay from historic filling.

21 Loss of Squalicum Creek, Whatcom Creek, and Padden Creek estuary habitats from filling and dredging.

22 Fragmentation of shoreline in inner Bellingham Bay from filling and dredging.

23 Sediment contamination at approximately 15 different sites in inner Bellingham Bay.

25 *Inner Bellingham Bay Restoration Priorities*

26 Provide clean sediments.

27 Restore natural processes that create and maintain habitats (river & tidal hydrology, shoreline erosion,
28 long shore transport).

29 Restore eelgrass habitat.

30 Restore Squalicum Creek, Whatcom Creek, and Padded Creek estuary habitat.

31 Restore nearshore inter-tidal and shallow sub-tidal habitat connectivity.

33 Terry Bergeson asked what the benefits would from the restoration?

35 Mr. Williams said that the evidence found in Bellingham Bay suggests that there is a clockwise current
36 pulling the fish that come out of the streams and they are being drawn into inner Bellingham Bay. If the
37 inner bay is not improved, our resources will be pulled to an area that puts them at risk. He said that the
38 project team is trying to identify areas that, through a strategy, can target the habitats that have been
39 eliminated or impacted and try to put them back together in a way that will create islands of refuge or
40 pockets of habitats to give the resources a better chance to flourish.

42 *Inner Bellingham Bay Habitat Restoration Categories*

43 Remove over-water structures.

44 Remove shoreline fills.

45 Beach restoration.

46 Removal of beach debris.

47 Enhance habitat connectivity.

48 Restore eelgrass habitat.

49 Restore shoreline riparian habitat.

50 Remove fish migration impediments.

1 Remove hydrologic impediments (river, tidal).

2 Substrate enhancement.

3
4 Mr. Williams concluded with a "Take Home Message" stating that in order to successfully implement a
5 habitat restoration strategy in Bellingham Bay, we will need DNR's support for habitat restoration and
6 mitigation within the designated harbor areas and state aquatic lands.

7
8 Terry Bergeson suggested they contact the local school districts because they have required
9 programs/projects in place for the high school kids to graduate and they would be a great resource for
10 this type of work. She suggested Dale Kinsley and the science and social studies teachers involved.

11
12 Fran McNair then introduced Patricia Decker of Waterfront Futures.

13
14 Ms. Decker provided a Fact Sheet (Handout 3) and explained that Waterfront Futures is a visioning and
15 master planning process for Bellingham's waterfront redevelopment, jointly sponsored and funded by the
16 City and the Port of Bellingham. She added that the group is jointly appointed by the city council and port
17 commission and consists of eleven members plus two liaison members from the planning commission.
18 They have 16 to 18 months to produce an overall vision for the community of what the waterfront should
19 look like and the steps to get it there. The group has been emphasizing community input prior to
20 developing their mission.

21 22 **AQUATIC PRESENTATIONS & TOUR BY BOAT**

23 24 Overview of Aquatic Reserves Efforts (Cherry Point & Fidalgo Bay)

25 David Roberts - Orca Straits District assistant Manager, began the tour with an overview of the route the
26 boat would take. The boat proceeded to a series of sites around the bay and at each point speakers
27 discussed the relevant issues. The following sites were used to highlight various aspects of the Aquatic
28 Program:

29
30 LeHigh Cement dock - outer harbor line may need to be adjusted to accommodate an existing structure.
31 Squalicum waterway dredging and estuary restoration ideas.

32 The Port's clean-up efforts in the Squalicum boat basin and habitat enhancements outside the jetty.

33 Georgia Pacific's clean-up, restoration and future land decisions around the aerated stabilization basin,
34 the Whatcom Waterway, and their existing mill site.

35 The current and future use of the Port's shipping terminal.

36 The clean-up and redevelopment of the RG Haley and Cornwall Landfill sites.

37 The redevelopment of the Taylor Dock by the City of Bellingham.

38 Derelict vessel removal concerns and mooring buoy management in Fairhaven Harbor.

39 The clean-up of industrial ship yard contamination found at the Port's Harris Ave ship yard.

40 The need for consistency in zoning as shown by the extensive harbor area bordering the Edgemoor
41 neighborhood in south Bellingham.

42
43 Speakers on the tour included Chad Unland - DNR; Mike Stoner - Port of Bellingham; Chip Hilardes -
44 Georgia Pacific; Loren Stern - DNR; and David Roberts - DNR.

LAKE WHATCOM

Commissioner Sutherland introduced himself and the other Board members indicated that he is the Chair of the Board of Natural Resources. He stated that each year the Board members spend two days in a different part of the state examining the issues of those areas. He stated that this year, the Northwest Region was selected and Bill Wallace - Northwest Region Manager, and his staff worked very hard to bring the Board members to various sites to observe the issues of the area first hand. Commissioner Sutherland gave a brief overview of the statewide management responsibilities of the department and the policy responsibilities of the Board. He welcomed the members of the community in attendance and then introduced Bill Wallace.

Mr. Wallace indicated that the Northwest Region covers five counties and the Board retreat this year will look at several sites including aquatic lands and forestlands. He also recognized and thanked several elected officials who were in attendance including:

County Council Members:

Chair - Dan McShane, Ward Nelson, Laurie Caskey-Schreiber, Barbara Brenner, and Sam Crawford

City Council Members:

Barbara Ryan, Jean Knutsen, Don Watts, and Louise Borenson

Representative Kelli Linville

Mr. Wallace noted that theme of the Board tour was trust-land management in an urban setting indicating that one of the functions of the Board at a policy level is attempting to balance the economics in terms of generating revenue for the various trust beneficiaries and to balance it with the environmental issues and with the community which is a very important part of the equation in policy setting. At the operational level, the regional staff takes direction from the Board and attempts to operationally balance the issues on the ground.

The Lake Whatcom area is over 15,000 acres of state forestland and is in an urban setting with a municipal watershed surrounding a community. Each landscape brings its own unique challenge and there is a need to provide opportunities and optimize the values of all social, economic, and environmental aspects.

Mr. Wallace then asked the DNR Lake Whatcom Landscape Plan Committee representatives in attendance to introduce themselves: Bill McCourt - City of Bellingham's Public Works Department; Steve Hood - Department of Ecology; Allen Soicher - citizen member; Linda Marrom - citizen member; Rich Costello - Department of Fish & Wildlife; Vincent D'Onofrio; Tom Edward Jr. - Lummi Nation; Dan McShane - representing Whatcom County. Mr. Wallace thanked the committee members for attending and continued with a process update indicating that the department has been working with the committee as well as the community to develop a landscape plan for 15,000 plus acres of state forests surrounding the lake. Currently the committee and DNR have a consensus on a preferred alternative that is now being developed and placed in a Draft Environmental Impact Statement (DEIS) that will be issued in September. On September 22, there will be a public workshop held at the Bloedel Donovan Park to address the DEIS (the committee and DNR will be in attendance). The next step after the DEIS and the comment period will be the final EIS, which will be presented to the Board of Natural Resources at the December Board meeting for review and approval. He noted that there have been three major issues identified including unstable slopes; cultural resources (a lot has been learned from the input of the

1 Lummi Nation); and water quality. He then introduced Steve Hood - Committee Chair, and Bill McCourt,
2 who would later present some of the various water quality issues with their perspectives.

3
4 Mr. Wallace concluded by showing a map of the lake indicating specific drainage locations. He illustrated
5 how the alluvial flood plains of Austin Creek and Smith Creek drainage sites have moved further out into
6 the lake over the centuries. This has been caused by a natural process of soil movement, and because
7 of the surrounding development there are safety and welfare issues to consider. In 1983 there was a
8 massive storm creating flooding in Lake Whatcom. Smith Creek, Austin Creek, Olsen Creek, and Blue
9 Canyon had massive debris torrents causing considerable damage to homes and property and DNR
10 worked with the community to help clear the area. He also pointed out that coupled with the natural
11 disturbances there have been past logging practices (not of today's standards) that exacerbated the
12 problem. He identified these as events to be learned from to determine a better future. He then asked
13 Mr. Hood to present his information.

14
15 Mr. Hood referred to the map, indicating that previous studies show the highest concentration of
16 pollutants coming from the most developed areas. He provided an in-depth discussion about phosphorus
17 and other pollutants and their sources within the lake.

18
19 Bruce Bare asked what the relationship is between DNR management and phosphorus generation in the
20 lake?

21
22 Mr. Hood said if there should be an unstable slope triggered, it would release phosphorus into the lake. It
23 is typically a natural disturbance but can be exacerbated by practices that increase slides and erosion.

24
25 Bill McCourt added his concerns about Lake Whatcom as it is a source of 90% of the drinking water for
26 the City of Bellingham. He provided a brochure (Handout 4) about the unique treatment process of the
27 water supply. The Bellingham Bay water treatment plant was constructed in 1968 at a cost of \$1.5 million
28 and is located in Whatcom Falls Park. The project was financed by the sale of water revenue bonds and
29 a federal grant. The plant has been updated to include computer controls and the latest in water
30 treatment technology and can produce 24 million gallons of drinking water per day. He indicated that the
31 multiple uses increase the potential for pollution and the city continually monitors water quality in the lake
32 to ensure the best possible drinking water for more than 65,000 people in Bellingham and Whatcom
33 County.

34
35 Unstable Slopes, Timber Resources, Preferred Alternative, Interjurisdictional Review

36 Jeff May - Natural Resource District Manager, illustrated the group's location on the mountain on a large
37 map and provided site specific information about potentially inaccessible areas that are currently not
38 economical to harvest because Lake Whatcom legislation states "no road construction on unstable
39 slopes." He also identified areas that could be "potentially unstable." He said that timber management
40 would be focused on areas outside of the riparian zones and outside the unstable slopes. There may be
41 some management within the potentially unstable slopes but not likely in the potentially inaccessible
42 areas because it is not economically viable (a helicopter would not be viable).

43
44 Mr. May then introduced Noel Wolff - Region Slope Stability Specialist (and licensed geologist) who would
45 be discussing slope stability and Jason Stuart - Engineer, who would be talking about road management.

46
47 Mr. Wolff began with the site's planning area indicating the long history of the instability that began in the
48 ice-age 12,000 years ago. He noted that in recorded history (approximately 100 years) Smith Creek has
49 had five major debris torrents that came down and spread material on the alluvial fans and into the lake.
50 One person died in 1917 and there have been at least four major events since then. He stated that it is a

1 naturally unstable landscape for at least part of the slopes, and there tend to be deeper larger landslides
2 in the south bedrock. In the north part the slopes are steep and when there are failures they are relatively
3 shallow (6' deep or less) but when they go they go fast. When the material hits the streams, it is called a
4 debris torrent, and that is what cleans the channels out as they go down streams.

5
6 When the landscape planning process began, they needed a slope stability assessment to determine the
7 unstable areas. They began with the watershed analysis report in 1997, which rated areas on both state
8 and private forest land around Lake Whatcom as "moderate hazard" or "high hazard." Part of the
9 watershed analysis process was to develop prescriptions that become regulations on what can or cannot
10 be done on the hazard areas. It was also determined that other areas were unstable simply because they
11 were very steep slopes so another map much like the watershed analysis was developed to outline those
12 sites. Roughly 1/3 of the acreage of DNR managed land is in some way restricted as far as future
13 activities are concerned due to slope stability. Illustrating the areas of concern, he then addressed the
14 question of how to implement the preferred alternative in two steps, Step One - when proposing activity,
15 they need to go on site and have a slope stability specialist evaluate the location, and Step Two - if
16 moving forward is the outcome then the interjurisdictional interdisciplinary team will review of the
17 proposed activity. Any harvesting done in the watershed analysis area will need to comply with the
18 prescriptions, which are complex and site specific. If a slope is identified as unstable, there will be no
19 activity (harvesting or road construction). If they are identified as stable, the process will begin.

20
21 Glen Huntingford asked if there has been any work done to establish a baseline as to where the streams
22 were 50-100 years ago? He wondered if the phosphorus levels are low now, and if so, are they
23 comparable to what they were 100 years ago, are they the same, are they growing?

24
25 Mr. Wallace indicated that Basin One (near the city) had not reached the attainment levels, and the other
26 two basins are not at issue. In terms of phosphorus there will be an allocation and not exceed it. In Basin
27 One they need to turn back the clock.

28
29 Jack Hulsey - Region Operations Manager, added that it had failed to meet the federal standard.

30
31 Mr. May then introduced Jason Stuart to discuss road management.

32
33 Mr. Stuart stated that he has analyzed many of the roads (active roads and orphan roads from the
34 1920's) within the watershed and has been assessing the potential needs for the roads including
35 maintenance. He indicated that the road the Board traveled on to get to the site is the Lookout Mountain
36 Mainline and he pointed out that out of the watershed it is the section of road with the most issues and
37 points of discussion. Under the preferred alternative they would not build a road through a section such
38 as that due to the number of risks involved. He listed some of the risks such as natural slides due to
39 misguided water run-off, inadequate ditches to route water, too narrow especially for logging trucks, and
40 inadequate rock surfacing. With all of these issues it is difficult to determine how to access the area and
41 the solution being proposed within the preferred alternative is to look for an alternate route that will go
42 over the mountain and come down to Interstate 5.

43
44 Glen Huntingford asked if the new road with its truck traffic would impact the communities on the other
45 side of the mountain creating disturbances that would need to be faced?

46
47 Mr. Stuart said that the two routes being considered have existing forest roads that the private
48 communities are currently hauling off of. There are homes there but the distance is much shorter from
49 pavement end to the freeway.

Mr. May concluded by stating that it was important for the Board to see that there are significant stands of timber on state trust land in the watershed, and their intention is that when a preferred alternative is selected, that there will be management in the area, looking carefully and closely at the issues. As that takes place, it is projected that they would be harvesting approximately 2.7 million board feet out of the watershed annually over a 200-year modeling period. There is significant trust revenue at stake as they decide what to do and Mr. May emphasized that revenue can be provided to the trust while providing environmental protection as required for the area. Part of that process relies on the land managers doing their job well and upholding their responsibilities, and good communication with the communities.

PECAN TIMBER SALE

Objectives, Design, & Results of Planned Timber Sale

Jeff May - Natural Resource District Manager, and Kevin Killian - Northwest Region Forester, provided overview of the timber sale.

SAMISH BAY OVERLOOK

Recreational Use

Stan Kurowski - Northwest Region, presented an overview of public use in the area. Noted were the many different types of use (horseback riding, camping, hiking, mountain biking, rock climbing, rock hounding, hang gliding, paragliding, photography, and visits to the scenic vistas). Historically these uses have peacefully coexisted with each other and resource management. It was pointed out that the scenic backdrop of the presentation would not have been there had it not been for the surrounding harvest unit. Also discussed was the increasing abuse of the area by garbage dumpers (cleaned up by the hang gliding community), irresponsible shooters, large organized parties, and ORV's.

Blanchard Mountain Recreation Assessment

Bonnie Bunning - Executive director of Policy & administration, and Lisa McShane - Ecosystem Alliance, discussed the results of an assessment of recreation on Blanchard Mountain. The study was conducted by independent organizations and funded jointly by the state and local environmental organizations.

Development of Management Strategies

Bill Wallace said DNR, working collaboratively with interested parties, will be developing management strategies for Blanchard Mountain over the next few months. The strategies will be within current laws and policies that accommodate acceptable levels of both timber harvest/revenue generation and recreational use. Mr. Wallace then introduced David Traylor - DNR Planner, who would be working on the project.

Dinner in La Conner

Board members, DNR staff, local dignitaries, and members of the public attended in informal gathering for dinner at the La Conner Seafood and Steak House Restaurant.

AUGUST 20, 2003 TOUR PRESENTATIONS - DAY 2

Bill Wallace - Northwest Region Manager, provided a brief overview of the day's events.

B1000 ROAD - LANDSCAPE OVERVIEW

Recreational Use - ORV

Stan Kurowski - Northwest Region, presented an historical overview of public use in the area and the establishment of the formal Walker Valley ORV Riding Area in the mid-70's. He presented the challenges surrounding conflicting public uses (recreational shooting, ORV's, rockhounding, etc.) and illegal uses (garbage dumping, bulk vehicles, late night parties, irresponsible shooting, etc.) and their impacts on the users, neighbors, and DNR staff. It was noted that even though there have been some conflicts over the years, legal public use and resource management peacefully coexist in the block of state land.

Management Activities

Laurie Bergvall - Northwest Region, Cascade District Manager, presented an overview of the Lake Cavanaugh landscape, including the geographic location of the proposed gun range, the acreage of state managed trust lands, overview of sales including 7-9 mmbf per year coming from approximately 10,500 acres of managed trust lands in the landscape. Several visible sales in the area were also identified, including Lincoln Logs, Black Crows, and Four Corners. There was a brief discussion of unique sale objectives per the resources and issues on site. For example, in Black Crows there was a large snag that received a Labor and Industries buffer around it, which accounted for the clumped leave tree strategy.

Recreational Shooting

Bonnie Bunning - Executive Director of Policy and Administration, presented an overview of the challenges the agency faces with regard to recreational use and the gun range. A county must have a shooting ordinance in place to enforce a no shooting ordinance. In this case, in Skagit County, there is no such ordinance in place. Discussion also occurred on the difference between State Parks Fee Program and the DNR free use program. Discussion has been occurring, but any sort of movement towards charging fees on DNR lands would currently result in increased liability to the agency, as we do not have the same legal protection that State Parks has regarding liability, per legislative authority.

LAKE CAVANAUGH

Forest Management in an Urbanizing Environment - Knight's Knife Timber Sale

Laurie Bergvall - Northwest Region, Cascade District Manager, presented an overview and history of the Knight's Knife Timber Sale, which was presented at the March 2003 Board Meeting. Some of the issues mitigated on the sale were adjacent landowner's concerns about water run off and aesthetics, wind, and increased sedimentation.

Ms. Bergvall reviewed a timeline including original sale approved and completed in spring of 2002; reworked in summer of 2002, including new SEPA and FPA; region staff met with Lake Cavanaugh Improvement Association in summer and fall 2002; the sale sold in spring 2003; met with Lake Cavanaugh Improvement Association in May 2003 to present 5 year action and development plan for the Lake Cavanaugh landscape; and road building activities will begin in August 2003. To date - Jay Guthrie went to the annual Lake Cavanaugh Improvement Association Meeting May 28 to present the action and development plan for the next 5 years around Lake Cavanaugh (previously done in 1998). Per Commissioner Sutherland's request, Jim Ryan did a hydrologic evaluation of the site, in addition to the

1 region geologist evaluation. Mr. Ryan's conclusions concurred with the region geologist and forester's
2 original observations and recommendations.

3
4 A lot of time and energy is spent interfacing with the public to ensure a successful sale when there are
5 issues and there is strong need for a support network of additional resources. Time spent on one sale is
6 time away from the other job duties such as future planning, supervision, and routine duties. If there is an
7 awareness of specific situations then staff can plan ahead and address the issue but when they rise
8 suddenly it is far more difficult to anticipate issues and mitigate concerns. Region staff were not prepared
9 for the issues that arose during the preparation of the Knight's Knife sale because state and private have
10 been operating in this area historically for years without incident. There is a changing demographic in the
11 Lake Cavanaugh area, from people who participate and accept local activities in conjunction with their
12 lives, to people who have summer homes or second homes that commute from the cities. There is a very
13 diverse understanding of historical activities between the two groups.

16 **AUGUST 20, 2003 PUBLIC MEETING - DAY 2**

18 **CALL TO ORDER**

20 Chair Sutherland called the meeting to order at 1:30 p.m. on August 20, 2003, at the Cotton Tree Inn in
21 Mount Vernon.

23 **APPROVAL OF MINUTES**

25 MOTION: Glen Huntingford moved to approve the June 25, 2003, meeting minutes.

27 SECOND: Bruce Bare seconded.

29 ACTION: Motion passed unanimously.

31 Chair Sutherland then introduced a new Board member, the interim Dean of the College of Agriculture
32 and Home Economics, Dr. R. James Cook.

34 Dr. Cook provided a brief background of his career stating that he has been with the Washington State
35 University for 39 years beginning as a federal employee for 33 of those years with the agriculture
36 research service then moving into a faculty position created by the Washington Wheat Growers
37 Association. He held that position until Dr. James Zuiches stepped down as Dean of the College of
38 Agriculture and Home Economics and there was a need for an interim Dean. Dr. Cook stated that his
39 entire career has been devoted to the research of controlling pathogens of crops and his approach has
40 been biological methods of controlling diseases through crop locations and managing natural cycles. He
41 added that he is a strong supporter of biotechnology and hopes to promote current research at
42 Washington State University. In 1993 he was elected to the US National Academy of Science and
43 continues to be active within the association. He intends to incorporate his scientific knowledge in the
44 Board's activities and he expressed his appreciation to the Board and looks forward to participating and
45 believes it will be a positive experience.

BUDGET

2003-2005 Biennial Budget (Handout 1)

Bonnie Bunning - Executive Director of Policy & Administration and Bob Van Schoorl - Budget Director presented. Ms. Bunning began with the state's \$2.6 billion shortfall and how that would affect the department this biennium. She then introduced Bob Van Schoorl, the department's Budget Director who presented the specifics.

Mr. Van Schoorl pointed out the budget materials in the Board's packet and began with six budget policy groups: recreation and conservation; fire prevention, protection and suppression; forest practices and geology; aquatic resources; trust land management; and technology & administration functions (Page 2).

Page 3 summarized the appropriation level for DNR's operating budget. It showed the 2001-03 appropriation in comparison to 2003-05 appropriation, which indicates a substantial cut. However the numbers on the page include the supplemental budgets for two years of fire suppression (will show more detail later in the presentation) and he pointed out that it skewed the numbers slightly. Overall, the department did take \$6.9 million in directed General Fund cuts by the Legislature. The cuts received were, in part, related to priority setting processes, but only two of the items received were on the department's third tier of the lowest priority for the agency and the other cuts were felt to be appropriate by the Governor and/or the Legislature.

Recreation & Conservation (Page 4)

The program is down \$2 million from the last biennium and 9 FTE's. Mr. Van Schoorl pointed out under the Policy Level Adjustments (4th item down) "Recreation and Public Access" emphasizing that the Governor and the Legislature took all General Fund state money in the recreation program. Fortunately the Legislature provided a one-time Capital Budget directed grant through IAC of non-highway off-road vehicle account dollars and the \$450,000 will sustain the department for one year. We will then go back to the Legislature in January 2004 asking them to find a way to fund the recreation program in the second year.

Mr. Van Schoorl also pointed out the item "Across-the-Board Share" stating the agency has done a prioritization process through an activity inventory and when the directed cuts from the Governor were received (90 FTE's - \$2.5 million) the department prorated those across the agency and worked through prioritization processes to allocate those among the various programs that had General Fund dollars. The department's General Fund resides primarily in Natural Areas, Natural Heritage Recreation, and Regulation (Forest Practices, Geology, and Administration).

Fire Protection and Prevention (Page 5)

Mr. Van Schoorl pointed out that he removed "suppression" (next item down) because it skewed things drastically. The fire protection program took at \$5.5 million cut, \$1.1 million across the board share, and \$920,000 was the elimination of the Forest Stewardship Program by the Governor's Office.

Terry Bergeson asked if the elimination of the Forest Stewardship Program meant it was wiped out?

Mr. Van Schoorl said the program was eliminated but the department found other ways through grants etc. to keep the program functioning for the next two years. There will be some challenges after the biennium.

1 *Fire Suppression (Page 6)*

2 The \$19 million reflected in the 10-year average is a base and the Legislature chose to move some of the
3 money from the General Fund to the Disaster Account where there is some FEMA money, so even
4 though it looks like the program took a large hit, the program is in tact as far as the 10-year fire
5 suppression average.

7 *Forest Practices & Geology (Page 7)*

8 \$1.7 million cut. Two points that Mr. Van Schoorl made: 1) The Forest Practices' HCP will provide HCP
9 coverage on the Forest Practices Act (Federal Funding), and 2) the Geology Public Information Library
10 (the only major source of geologic information in the state) has been closed by the Legislature and the
11 Governor. The department is trying to find funding to maintain it. The Legislature provided some Capital
12 money to digitalize the library but the Governor vetoed that out of the budget.

14 *Aquatic Resources (Page 8)*

15 The Aquatics Program came out well in the budget primarily because it doesn't have any General Fund
16 State and there is strong support from the Resource Management Cost Account and the Aquatic Lands
17 Enhancement Account along with funding for dredge materials disposal and derelict vessel removals. He
18 also pointed out the Aquatics Lands Enhancement Account grant program was moved by the Governor
19 from DNR up to the IAC (\$5.5 million in grants).

21 Terry Bergeson asked what the rationale was for moving the ALEA?

23 Mr. Van Schoorl said the Governor's Office wanted to consolidate all grant programs in IAC, however,
24 only the ALEA grant program was actually moved which lead to speculation about the actual intent.

26 Glen Huntingford asked if the ALEA program would remain the same such as meeting the same criteria
27 when applying for a grant?

29 Mr. Van Schoorl said the statute has not changed so statutorily IAC has the same restrictions and uses of
30 the money that DNR had.

32 *Trust Land Management (Page 9)*

33 \$12 million reduction in the RMCA was proposed by the agency. He reminded the Board that two years
34 ago the department approached the Board with a significant shortfall in the Resource Management Cost
35 Account and the agency did not allot or expend that money in the last biennium and this was an
36 adjustment to get the appropriation level down to match the available revenue. There was a
37 General Fund reduction in the Trust Land Management program primarily within Resource Mapping,
38 which resulted in the closure of the public map sales counter. This has the department moving towards
39 selling photos and maps through the internet and through other outlets.

41 *Technology & Administration (Page 10)*

42 Mr. Van Schoorl first pointed out that a General Fund State reduction in this program results in a 5x
43 reduction in total budget due to the way the department allocates cost so the \$429,000 GFS
44 administration reduction the department received resulted in a \$2 million total reduction in administration.
45 We received a number of additions (most technical) including increased costs for insurance but we also
46 received another \$2.5 million across the board reduction including FTE's, which significantly impacted our
47 programs as the department just completed its third Reduction in Force (RIF) in the last three years.

49 Mr. Van Schoorl concluded by providing a quick summary of the Capital Budget comparing 2001-03
50 budget to 2003-05 (Page 11) highlighting a few significant points: Trust Land Transfer at the agency

request level of \$66 million; Small Forest Landowner program received \$2 million; Natural Area Facilities Preservation and Recreation Facilities Preservation received minimal dollars for maintenance; Real Property Replacement Account received \$20 million.

Bonnie Bunning added that off road vehicle funding received a one-time grant for this year to keep the sites open, which was a message heard loud and clear by the public - people do not want recreational sites closed. Between now and the next Session, the discussion of how to allocate those funds will be a priority as it will play a strong role in how to keep that support.

Terry Bergeson asked what year the Legislature required DNR to manage recreational uses?

Ms. Bunning said she believes it was in 1971.

Chair Sutherland said it was important to show the Board how significantly the budget has affected the department and that it will be difficult to deliver the services the trust beneficiaries are accustomed to. He indicated that the department is looking at merging the Southwest Region and Central Region due to the adjacent location and many of the collaborative programs that exist within the two regions already. The first quick look at the scenario indicated that the department could save approximately \$1 million per year. Jack Hulse and Clay Sprague are working almost fulltime on the project. The final determination is expected in late September or early October.

Terry Bergeson commented on the complexity of land management and the excellent relationships the department staff have created with the user groups. To build and retain those relationships it requires a lot of work from the staff and that requires more personnel to do it right, not less. People want to be able to use the lands and they want to have forest practices that will keep their communities safe and maintain water quality, and they want money for their schools yet they want us to find other ways to get money for schools, however she hasn't observed anyone coming forward with ideas about how to find those resources.

SILVICULTURE

Informational Presentation (Handout 2)

Bruce Mackey - Lands Steward and Pete Holmberg - Assistant Division Manager, Land Management Division, presented. Mr. Mackey stated that the presentation would provide information about changes in the silviculture procedures and will explain why the changes are important. He indicated three parts to implement a program, 1) have a vision derived from policies, laws, forest resource planning, etc., 2) have procedures to implement the vision by identifying specific activities, sideboards to what is expected to be acceptable, etc., and 3) have knowledge, skills, and attitude to make it happen. He then introduced Pete Holmberg.

Mr. Holmberg began with the definition of silviculture - the science and art of cultivating forests to deliberately achieve objectives. He indicated that his presentation would be focused on updating the Board on silviculture procedures that need improvement. The previous procedures were well intended and well researched for the time but are not functioning as intended. They are cumbersome and they tend to direct a single method (one size fits all). He indicated that because this is an action under the State Environmental Protection Act, the public review began yesterday (August 19) and will go through the beginning of September.

He then provided an agenda with the topics that would be reviewed: Why?; What is new?; What will the procedures look like?; How will they work?; When will they take effect?; and Q&A.

1 *Why?*

2 A logic that links the procedures; adaptability to site-specific sensitivities; consolidation, clarity, versatility;
3 tie-in with education and training. However, the intent of silviculture remains unchanged. We are trying
4 to apply the appropriate silviculture techniques and field craft to accomplish goals of revenue for the
5 Trusts and critical habitat. We employ the best and most current science to accomplish the goals.

7 *What is New?*

8 Procedures are re-formatted to show the logical, inter-connected, and complete sequence of processes
9 that guide forestry operations.

10 Focused direction to the field in concert with a parallel, complementary training and education program.

12 *What will the Procedures Look Like?*

13 Procedures for: objectives; silvicultural prescriptions; reforestation; forest stand tending.

14 Synchronized with: educational/training and reference pamphlets; new forester training courses;
15 journeyman forester refresher sessions.

17 *How will They Work?*

18 Clear, concise, complete, and enduring “side-boards” for field operations and with Forest Practices rules
19 as a “floor”.

20 Provide general direction while maintaining site-specific flexibility.

21 State-of-the-art training that: synchronizes with procedures; interacts with the field; seamlessly
22 incorporates new science.

24 *When will They Take Effect?*

25 SEPA Review - August 19 through September 2

26 Review Comments - Approximately 1 month

27 Implementation - Estimate November 2003

29 Q&A

30 James Cook brought up the three circles (social, environmental, and economic) and wondered how all
31 three could be turned into “economic” i.e., is there a way to differentiate giving up a piece of the value in
32 order to protect the various social and environmental interest (such as leaving 20 trees per acre vs. 8
33 trees per acre) and capture that value in the market place? He cited examples from agriculture in which
34 integrated pest management (IPM) - of which he is an advocate - had successfully blended economic and
35 environmental objectives by defeating insect and disease pests through crop selection and integration
36 rather than with pesticides. This approach not only bypassed the cost of pesticide application but also
37 resulted in greater profits to the landowner as a result of growing a diversity of valuable crops.

39 Mr. Holmberg indicated that objectives are not set by silviculturists (stands are “grown to order”); others
40 set the objectives through their interdisciplinary team process; silviculturists determine whether objectives
41 are attainable and how to best attain them. He indicated the marketing question is outside of silviculture
42 and he asked Bruce Mackey to respond.

44 Mr. Mackey indicated that the department is looking into forest certification. There has been an analysis
45 done of DNR’s forest lands to determine if they are being managed sustainably and if we could get
46 certification from one of the certifying groups and currently there are two being considered (FSC and SFI).
47 He also stated that we are looking at the possibility of an HCP on forest practices and if that might be a
48 way of distinguishing how forests are grown, what standards they are grown to, and label them that way.
49 The current research shows that putting two sets of plywood into Home Depot and labeling one “eco” with
50 no price difference was sold twice as fast, however, when there was a price difference they purchased

1 the cheaper brand. There is evidence that people appreciate the product but they are not willing to pay
2 for it. He also stated that we are the most efficient tree-growing area in the northern hemisphere.

3
4 Mr. Holmberg gave specific examples of integrated pest management (IPM) noting that the Northwest
5 Region has several success stories on the hemlock looper where they have thinned stands that have
6 since been attacked by the hemlock looper, however, the looper bypassed the areas that were thinned
7 but damaged the areas that received no treatment. He stated that not only are we blending the
8 economic, social, and environmental objectives, but doing so at an economically preferable level i.e.,
9 thinning and earning an intermediate revenue (rather than applying pesticides at a net cost) and
10 simultaneously causing a release from suppression of future crop trees and thereby increasing their
11 future value.

12
13 Terry Bergeson asked about the concept of providing sideboards to allow field foresters more freedom to
14 apply site-specific treatments?

15
16 Mr. Holmberg responded that with the talented field foresters the department has employed in recent
17 years the key to success is to provide clear expectations of outcomes and allow the foresters the freedom
18 of innovation in devising site-specific solutions.

19
20 Ms. Bergeson enthusiastically concurred.

21
22 Bruce Bare had reviewed a copy of the silvicultural prescription training and reference pamphlet and
23 expressed a strong interest, asking to have an electronic copy emailed.

24
25 Mr. Holmberg agreed to forward a copy.

26 27 **BOARD DISCUSSION**

28
29 Chair Sutherland then asked Bruce Mackey to provide a brief overview of the Sustainable Harvest
30 Calculation schedule.

31 32 Sustainable Harvest Calculation Update (Handout 3)

33 Mr. Mackey provided an overview of the status of the Sustainable Harvest Calculation and a current
34 timeline. He indicated that the public input schedule had been updated. He reminded the public that they
35 are always invited to provide comment at each Board meeting. He also noted that there have been
36 several individual interest group and public meetings and those meetings will continue.

37
38 Mr. Mackey stated that the Draft Environmental Impact Statement (DEIS) should be released in mid-
39 October as well as the Financial Analysis and the Social Criterion Indicators. That would begin the 45
40 day comment period on the DEIS.

41
42 Bob Nichols asked if the Board would be seeing a presentation at the October Board meeting?

43
44 Mr. Mackey said yes. He continued, stating that there would be a Board workshop scheduled for
45 December to discuss the elements for the preferred alternatives, per the Board's request and that he
46 would be seeking the Board's input to prepare for, and schedule that workshop. At the January Board
47 meeting, the Board will select a preferred alternative and that would go through a final EIS, which would
48 be released in May 2004. By the June 2004 Board meeting, the Board will approve the Final EIS
49 Statement, the Sustainable Harvest Calculation, and any final policies that will need to be changed in the
50 Forest Resource Plan to implement that. Mr. Mackey instructed Angus Brodie to consider which of the six

1 alternatives would work under the normal 25% management fees rather than what it costs per thousand.
2 The comments received so far indicate that people quickly realized that the numbers are gross revenue
3 numbers for the various alternatives; the Financial Analysis will reveal the net revenue.
4

5 Bob Nichols asked if that would be part of the presentation in October?
6

7 Mr. Mackey said yes and indicated that would be a large part of the Board's decision. In alternatives 1 - 4
8 deal with volume while alternatives 5 and 6 deal with maximizing revenue.
9

10 Terry Bergeson summarized - at the October Board meeting they would receive the first total composite,
11 and that the public hearings won't start until the Board is close to a preferred alternative.
12

13 Mr. Mackey said yes, the October Board meeting will be a substantial presentation of information, but the
14 public hearings will start at the same time in October; there will be 45 days for the public comment period;
15 there will be 5 or 6 public meeting scheduled; and over the next few months the information would be
16 provided to the Board as it comes. The Board can then use that information to craft a preferred
17 alternative.
18

19 Terry Bergeson pointed out that if the Board comes to a preferred alternative then they would be starting
20 all over again. When the Board makes the decision, everyone will have input about that decision, and
21 she suggested that hearings with in-depth discussion take place after the selection.
22

23 Glen Huntingford summarized - the Board would be provided the information in October; the
24 workshops/public comment periods will take place; the Board would then come together to formulate and
25 decide on the preferred alternative. He then asked - after the preferred alternative is clarified by the
26 Board would they go through a public hearing process on the preferred alternative?
27

28 Mr. Mackey said it is an option and could take place at a workshop.
29

30 Terry Bergeson expressed concern about becoming knowledgeable enough about all of the elements and
31 would appreciate feedback, and was skeptical about the timeframe to explore the options and
32 combinations of the options and suggested that a public hearing take place after the selection.
33

34 Chair Sutherland suggested that a mid-November workshop would be helpful as well as one in mid-
35 December and when a preferred alternative is selected, have one or two public meetings to discuss the
36 issues before we get too close to the final release of the EIS in April.
37

38 Mr. Mackey agreed to arrange that.
39

40 Bruce Bare brought up a previous discussion at the June 25, Board meeting relating to Alternative 7. He
41 stated that Angus Brodie agreed to run Alternative 7 and present those results at the October meeting as
42 well and the other 6 alternatives. He also indicated that he expected to be able to mix-and-match across
43 all 7.
44

45 Mr. Mackey indicated that the un-zoned approach within Alternative 7 had been excluded early on as it
46 was quickly determined that it was outside the HCP and would require an amendment within the HCP,
47 and after that discussion, it was decided to stay with the 6 alternatives which are within the EIS analysis.
48

49 Bruce Bare asked what if there is a significant, positive benefit to the trusts?
50

1 Mr. Mackey said it they could run it to see the results.

2
3 Terry Bergeson said this would be a good discussion at the September Board meeting.

4
5 Break 2:55

6
7 Reconvened 3:10

8
9 Chair Sutherland thanked Bill Wallace, Northwest Region Manager, for hosting the 2003 Board retreat.
10 The retreat was a complete success and he commended the staff for their outstanding efforts. He also
11 indicated that they have set a high standard for future Board retreats.

12
13 Bill Wallace approached the Board and recapped the tours that took place over the last two days and
14 reminded everyone that the theme of the retreat was trust land management in an urban setting. He
15 stated that his region encompasses five counties comprised of 387,000 acres of forestland primarily in
16 Whatcom, Skagit, and Snohomish counties. The region generates approximately 124 million board feet
17 per year, and average about 40 million dollars a year of revenue to the trusts. The Northwest Region has
18 one of the most beautiful corners of the state but there are a number of issues and much controversy
19 including steep mountainsides with unstable slopes associated with them. The region also works with 8
20 federally recognized tribes to understand their issues from a cultural and natural resource standpoint. He
21 brought up the issues of urban interface and pointed out the increasing neighbors, public use, and public
22 participation in determining how to manage public lands. Mr. Wallace stressed how caring his staff are
23 and how they continue to care deeply for natural resources and the trust assets. He then thanked the
24 Board members for coming to his region to see first hand how they manage the Board's policy direction
25 and he appreciated their feedback, guidance, and thoughts.

26
27 Glen Huntingford thanked the staff for their efforts on the retreat. He thought the tours were extremely
28 educational and it was nice to see things on the ground and how it affects the variety of issues the Board
29 deals with.

30 31 **PUBLIC COMMENTS FOR GENERAL ITEMS OF INTEREST**

32 33 Loren West - Citizens to Save Pilchuck Creek (CSPC) Lake Cavanaugh

34 Opposes the location of the Frailey Mountain Shooting Range. He represents over 500 of the affected
35 citizens in the Lake Cavanaugh area, which are directly adjacent to the gun range and their line of fire.
36 He also represents a local hiking club and a biking club. He indicated that he had two statements: 1) to
37 inform DNR of the safety and legal problems of the range so the application doesn't make its way to the
38 DNR, and 2) to expose DNR to the issue so if the application does make its way to the department, that
39 DNR will be able to make an informed decision and hopefully disapprove the transfer.

40
41 1) Safety - there is no way to contain bullets with the layout of this specific shooting range. The range
42 could expose DNR personnel managing the lands to stray bullets. There is a walking muzzle-loader area
43 where shooters will walk up a two hundred foot incline to shoot and there is no perimeter fencing. The
44 Shoreline Hearings Board has rejected the application based on these and other issues, which are still
45 unresolved.

46
47 2) Legal Issues - the zoning is "industrial forest natural resource lands" and the current use does not allow
48 for significant land movement/fill and there are several illegal structures such as a fulltime caretaker's
49 residence; retail sales; over 625 parking; and more. The county claims they are vested in the project
50 since the time the gun range filled out the application in 1997/98 and said at that time that it was not

1 zoned as industrial forest natural resource land and therefore they did not need to adhere to the Growth
2 Management Act. Their group then sued the county stating they need to uphold their own laws and the
3 county agreed and decided they could not build the gun range and the commissioners overruled that
4 ruling. Since then it was found that the county lied in their application by stating that the area was
5 designated industrial forest natural resource land but the application showed it as “forest” not “industrial
6 forest”.

7
8 Mr. West closed by urging the Board to disapprove the transfer if it makes its way through.

9
10 Dennis Katte - CSPC (Handout 4)

11 Mr. Katte also opposed the Frailey Mountain Shooting Range and indicated that he had provided the
12 Board with a significant portfolio presentation (Handout 4) that included legal rulings, hearing, precedents,
13 and maps. The site is the third site selected by the county and is the last remaining site and the worst of
14 the first two sites. The range started out at 273 acres and is now 400 acres. Mr. Katte offered more
15 information at the Board's request and he thanked the Board for their time.

16
17 Marcy Golde - Washington Environmental Council (WEC) Board Member

18 Ms. Golde thanked the Board for an interesting two days and for their generosity in allowing WEC to
19 participate with the retreat. She then commented on the time allowed for commenting on the procedure
20 that Pete Holmberg presented (silviculture presentation). The SEPA deadline began yesterday and 8
21 working days (including a Memorial Day weekend) is not enough to provide adequate public input on
22 such a complex issue. She asked that the Board consider extending the response time by at least five
23 days. She continued by stating the draft is not unlike a number of other draft proposals and procedures
24 that are being considered, in that they are toward “output” ways of looking at procedures. There are
25 advantages and disadvantages to that such as releasing creativity and reducing accountability. Ms.
26 Golde pointed out that the procedures that underlie the HCP granted license to take endangered species,
27 i.e., to kill those species, and in exchange for doing that, certain management activities were to take place
28 and those are laid out in the HCP. She suggested that as this moves toward more of an outcome base
29 there is a tradeoff between specific accountability and creativity.

30
31 Chair Sutherland then asked Bruce Mackey (from the audience) if it was possible to extend the comment
32 review period an extra ten days?

33
34 Mr. Mackey said yes set the new date at September 12.

35
36 Terry Bergeson responded to Ms. Golde's comments adding that she thinks this is a critical issue. She
37 suggested that if some of the creativity is not released and protocols are followed, the goals can't be
38 reached. She agreed that in allowing creativity, people need room to move and not be controlled every
39 step of the way. What Terry has heard from the community over the last two days (and over the last few
40 years) is the need to do business differently. She agreed that the risks should be considered, but there
41 are far more finite measures of many different objectives within the three circles to be considered and
42 there needs to be clarity about that. Terry stated that this would be the essence of the Board's
43 discussions regarding the alternatives they will look at and discussion over the next five years of work by
44 this Board.

45
46 Ms. Golde agreed that people should not be unreasonably bound but there is a need, and there was a
47 contract made with which had certain specificity within it and it needs to be looked at due to the tradeoffs
48 that were negotiated. She brought up the riparian contract in particular, which is under negotiations with
49 the services and she believes the original drafts were not complete and there is a need for greater
50 specificity. She does not think flexibility is being used on riparian issues or the spotted owl areas.

1 Terry Bergeson stressed that the Board cannot break contracts and that is not what is being suggested.
2 She indicated that her point is to ask how to do something different. If something is found in the next few
3 years that suggests the need for renegotiation of the contracts then that is what should be done.
4

5 Ms. Golde stated that there are ways to do that within the HCP, which has adaptive management and is
6 built on the assumption that data will be gathered and science will be updated. She concluded by saying
7 that both creativity and accountability are considered.
8

9 Becky Kelley - WEC

10 Ms. Kelley expressed her thanks to Bill Wallace and his staff for the efforts of the 2003 retreat. She
11 especially appreciated the discussion regarding the development of the preferred alternative and the
12 need to have a conversation with the public after that key step. She had two other comments about the
13 tour: 1) In looking over the Walker Valley landscape, it was interesting to see clearcuts, young forests,
14 medium age forests, and then (at the lake) to see the large stumps in the foreground. This indicates the
15 way the landscape has changed and the complexities that have been created. She referred to a brochure
16 she recommended the Board to read (Promoting Habitat Complexity in Second Growth Forests) and
17 offered to provide them with a copy. She sees this as a central topic in the Board's discussions over the
18 next six months. She hopes to see the current silvicultural techniques create some larger trees and looks
19 forward to the conversations the Board will have as they discuss the six alternatives. 2) Ms. Kelley was
20 encouraged by the dialogue and interaction of DNR employees with citizens at Lake Cavanaugh, Walker
21 Valley, the Lake Whatcom Watershed, and on Blanchard Mountain. The groups ranged from big city and
22 county groups to recreational users to local neighbors. Ms. Kelley noted that people were not saying
23 "don't log," they were saying "log differently." And DNR wasn't saying "no, we will do it the way it's always
24 been done" they were saying, "okay, we need to log, but are willing to look at different solutions." She
25 stated that this is a reflection of how the three circles will come together, and the Northwest Region is
26 setting good examples of that and she thought the retreat was a great prelude to the upcoming SHC
27 discussions.
28

29 Konrad Kurp - Represented Recreational Hang Gliders

30 Mr. Kurp requested that Blanchard Mountain recreational sites be developed and launch areas remain
31 open such as at Tiger Mountain and Frailey Mountain. He also expressed concern for the garbage and
32 vandalism that takes place on the site, which his group often removes. He noted that the public lands
33 are their best chance to fly and the public enjoys watching the sport.
34

35 Steven Harper - Concerned Neighbors of Lake Samish (CNLS) Blanchard Mountain (Handout 5)

36 Mr. Harper is the Vice President of the CNLS representing approximately 2,000 residents living around
37 the lake. The CNLS is excited by the direction DNR is taking as they embark on developing the long-term
38 management plan for Blanchard Mountain. The innovative approach represented by the Pecan sale is a
39 positive move in reducing the impact of past clear cutting practices and maintaining the biodiversity in the
40 area. Blanchard Mountain is an extremely important regional conservation and recreational resource for
41 Northwest Washington as the population continues to increase dramatically. Blanchard Mountain is
42 home to a wide variety of wildlife including Threatened, Endangered, and Washington Priority Species.
43 Preventing or reducing logging on the slopes will safeguard the watershed from flooding and debris
44 torrents, maintain the viability of five primary salmon-spawning creeks, and protect Samish Bay shellfish
45 beds.
46

47 He also stated that Skagit County currently has no parks in the northwestern portion of the county.
48 Blanchard Mountain offers fully developed existing recreational facilities including 17 miles of maintained
49 trails, three campgrounds for both hikers and equestrians, and two pristine lakes for those who fish and
50 hunters. These facilities would be valueless if the forests were clear-cut. The acreage provides aquifer

1 recharge for much of the northwest corner of Skagit County and Lake Samish, encompassing five local
2 communities. Under both DNR and County Comprehensive Plan mandates, designating this area as an
3 aquifer recharge set-aside will provide the most effective water quality protection and these areas have
4 been designated as critical by the EPA and are important salmon protection areas. The cost of
5 conserving Blanchard Mountain as a Natural Resource Conservation Area will be more than offset by the
6 benefits, both economic and quality-of-life, of ensuring water quality, healthy wildlife and salmon habitat,
7 outstanding recreational opportunities, and a protected watershed.

8
9 Mr. Harper concluded by stating the State Constitution specifically declares “public lands granted to the
10 state are held in trust for all the people” and he applauded the new approach that is being considered for
11 Blanchard Mountain. The historical management of timberlands, only for logging, needs to be
12 reconsidered for the benefit of all the people in Whatcom County and Skagit County. He thanked the
13 Board for coming to Northwest Washington and for the opportunity to speak.

14
15 Mike McGlenn - Represented the Back Country Horseman of Whatcom County (BCHW) (Handout 6)

16 Mr. McGlenn informed the Board that the BCHW volunteer to work on trails and trail maintenance and
17 much of the heavy-duty work has been done by the BCHW or by the BCHW in conjunction with the
18 Pacific Northwest Trail and DNR themselves. The BCHW has been involved on Blanchard Mountain for
19 over 16 years and have been instrumental in upgrade and maintenance to the system with both funding
20 and labor and the BCHW favors a multiuse system of non-motorized trails for this area.

21
22 Chair Sutherland added that he had attended the BCHW’s annual meeting and was provided a report of
23 just volunteer hours expended by the group on DNR lands. If the hours accumulated over the last ten
24 years and were multiplied by minimum wage, they have contributed over \$7 million worth of volunteer
25 time across the state working on trails. He commended the BCHW for this incredible contribution.

26
27 Terry Bergeson added that the Board had heard many comments about the organization from Bill
28 Wallace’s staff on Blanchard Mountain and many people appreciate the volunteer efforts. As the
29 Legislature approves these programs, often times they don’t provide enough resources to make them
30 happen, hence the BCHW’s assistance becomes invaluable. She commended their contribution to the
31 state of Washington.

32
33 Linda Marrom - Representative on the Lake Whatcom Landscape Planning Committee (LWLPC)

34 Ms. Marrom thanked the Board for touring the watershed. She understood that the discussion was
35 intended to take place between DNR and the Board and yet she observed city and county people
36 conversing with the Board as well and she appreciated that the Board allowed them to participate and
37 took the time to answer their questions. She added that she is pleased with the progress made and she
38 believes that trees can be cut and still maintain the health and integrity of the forest if the issues of
39 retention, age class, and the environmental health of the forests continue to be considered. She had one
40 concern regarding the interjurisdictional committee that will oversee the timber sales on potentially
41 unstable slopes but that is yet to be defined. It will however, have a huge impact on the decisions that
42 committee members will be making in the plan. She understands the amount of time the Board has spent
43 on this issue and thanked them for how well they have worked with the LWLPC. She also looked forward
44 to seeing the results of the DEIS and as their committee comes forward with their recommendations she
45 hopes the Board will make the right decisions in protecting public health and safety of drinking water. Ms.
46 Marrom concluded by thanking the Northwest Region, especially Bill Wallace, for holding the committees
47 together. Despite how difficult and diverse the issues become, Bill Wallace (among other region staff
48 members) pulls everyone together with great rapport.

1 Paul Nuehims - Sudden Valley Board Member

2 Mr. Nuehims thanked Terry Bergeson for her intuitive questions during the visit to Blanchard Mountain.
3 He also expressed concern about the lack of interaction with the people that participated on the tour
4 recognizing that time was constrained and citizen interaction was not the intent of the tour. Mr. Nuehims
5 concluded by asking the Board who the local liaison would be to come to the communities to explain the
6 issues and terminology, especially when there are unintended consequences such as floods and the
7 relationship between logging and the communities' downslopes like Sudden Valley?

8
9 Chair Sutherland informed Mr. Nuehims that Bill Wallace - Northwest Region Manager, would be the
10 appropriate contact.

11
12 Chair Sutherland concluded the meeting by stating that during Session, DNR was successful in securing
13 authorization to conduct contract harvesting. At the October Board meeting a Resolution will be
14 presented identifying, according to the legislation, how DNR will implement and practice contract
15 harvesting. As soon as the draft is written, it will be provided to the Board for review. Also, due to the
16 short turnaround between the retreat and the September meeting, the Retreat minutes may not be
17 finalized for approval.

18
19 Chair Sutherland asked if there was anyone else present wishing to make comment before the Board?
20 Seeing none, hearing none.

21
22 Meeting adjourned at 4:00 p.m.

Approved this ____ day of _____, 2003

Doug Sutherland, Commissioner of Public Lands

Bob Nichols for Governor Gary Locke

Bruce Bare, Dean, University of Washington

R. James Cook, Dean, Washington State University (Interim)

Terry Bergeson, Superintendent of Public Instruction

Glen Huntingford, Commissioner, Jefferson County

Attest:

Maureen Malahovsky, Board Coordinator